

106TH CONGRESS
1ST SESSION

H. R. 208

IN THE SENATE OF THE UNITED STATES

APRIL 21, 1999

Received; read twice and referred to the Committee on Governmental Affairs

AN ACT

To amend title 5, United States Code, to allow for the contribution of certain rollover distributions to accounts in the Thrift Savings Plan, to eliminate certain waiting-period requirements for participating in the Thrift Savings Plan, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. ELIGIBLE ROLLOVER DISTRIBUTIONS.**

4 (a) IN GENERAL.—Section 8432 of title 5, United
5 States Code, is amended by adding at the end the fol-
6 lowing:

7 “(j)(1) For the purpose of this subsection—

8 “(A) the term ‘eligible rollover distribution’ has
9 the meaning given such term by section 402(c)(4) of
10 the Internal Revenue Code of 1986; and

11 “(B) the term ‘qualified trust’ has the meaning
12 given such term by section 402(c)(8) of the Internal
13 Revenue Code of 1986.

14 “(2) An employee or Member may contribute to the
15 Thrift Savings Fund an eligible rollover distribution from
16 a qualified trust. A contribution made under this sub-
17 section shall be made in the form described in section
18 401(a)(31) of the Internal Revenue Code of 1986. In the
19 case of an eligible rollover distribution, the maximum
20 amount transferred to the Thrift Savings Fund shall not
21 exceed the amount which would otherwise have been in-
22 cluded in the employee’s or Member’s gross income for
23 Federal income tax purposes.

24 “(3) The Executive Director shall prescribe regula-
25 tions to carry out this subsection.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall take effect on October 1, 2000, or such
3 earlier date as the Executive Director (as defined by sec-
4 tion 8401 of title 5, United States Code) may by regula-
5 tion prescribe, but not before September 1, 2000.

6 **SEC. 2. IMMEDIATE PARTICIPATION IN THE THRIFT SAV-**
7 **INGS PLAN.**

8 (a) ELIMINATION OF CERTAIN WAITING PERIODS
9 FOR PURPOSES OF EMPLOYEE CONTRIBUTIONS.—Para-
10 graph (4) of section 8432(b) of title 5, United States
11 Code, is amended to read as follows:

12 “(4) The Executive Director shall prescribe such reg-
13 ulations as may be necessary to carry out the following:

14 “(A) Notwithstanding subparagraph (A) of
15 paragraph (2), an employee or Member described in
16 such subparagraph shall be afforded a reasonable
17 opportunity to first make an election under this sub-
18 section beginning on the date of commencing service
19 or, if that is not administratively feasible, beginning
20 on the earliest date thereafter that such an election
21 becomes administratively feasible, as determined by
22 the Executive Director.

23 “(B) An employee or Member described in sub-
24 paragraph (B) of paragraph (2) shall be afforded a
25 reasonable opportunity to first make an election

1 under this subsection (based on the appointment or
2 election described in such subparagraph) beginning
3 on the date of commencing service pursuant to such
4 appointment or election or, if that is not administra-
5 tively feasible, beginning on the earliest date there-
6 after that such an election becomes administratively
7 feasible, as determined by the Executive Director.

8 “(C) Notwithstanding the preceding provisions
9 of this paragraph, contributions under paragraphs
10 (1) and (2) of subsection (c) shall not be payable
11 with respect to any pay period before the earliest
12 pay period for which such contributions would other-
13 wise be allowable under this subsection if this para-
14 graph had not been enacted.

15 “(D) Sections 8351(a)(2), 8440a(a)(2),
16 8440b(a)(2), 8440c(a)(2), and 8440d(a)(2) shall be
17 applied in a manner consistent with the purposes of
18 subparagraphs (A) and (B), to the extent those sub-
19 paragraphs can be applied with respect thereto.

20 “(E) Nothing in this paragraph shall affect
21 paragraph (3).”.

22 (b) TECHNICAL AND CONFORMING AMENDMENTS.—
23 (1) Section 8432(a) of title 5, United States Code, is
24 amended—

1 (A) in the first sentence by striking “(b)(1)”
2 and inserting “(b)”; and

3 (B) by amending the second sentence to read as
4 follows: “Contributions under this subsection pursu-
5 ant to such an election shall, with respect to each
6 pay period for which such election remains in effect,
7 be made in accordance with a program of regular
8 contributions provided in regulations prescribed by
9 the Executive Director.”.

10 (2) Section 8432(b)(1)(B) of title 5, United States
11 Code, is amended by inserting “(or any election allowable
12 by virtue of paragraph (4))” after “subparagraph (A)”.

13 (3) Section 8432(b)(3) of title 5, United States Code,
14 is amended by striking “Notwithstanding paragraph
15 (2)(A), an” and inserting “An”.

16 (4) Section 8439(a)(1) of title 5, United States Code,
17 is amended by inserting “who makes contributions or”
18 after “for each individual” and by striking “section
19 8432(c)(1)” and inserting “section 8432”.

20 (5) Section 8439(c)(2) of title 5, United States Code,
21 is amended by adding at the end the following: “Nothing
22 in this paragraph shall be considered to limit the dissemi-
23 nation of information only to the times required under the
24 preceding sentence.”.

1 (6) Sections 8440a(a)(2) and 8440d(a)(2) of title 5,
2 United States Code, are amended by striking all after
3 “subject to” and inserting “this chapter.”.

4 (c) EFFECTIVE DATE.—

5 (1) IN GENERAL.—The amendments made by
6 this section shall take effect on October 1, 2000, or
7 such earlier date as the Executive Director (as de-
8 fined by section 8401 of title 5, United States Code)
9 may by regulation prescribe, but not before Sep-
10 tember 1, 2000.

11 (2) SAVINGS PROVISION.—Notwithstanding any
12 other provision of this section, until the amendments
13 made by this section take effect, title 5, United
14 States Code, shall be applied as if this section had
15 not been enacted.

16 **SEC. 3. ADDITIONAL GOVERNMENT CONTRIBUTIONS FOR**
17 **RETIREMENT.**

18 (a) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—
19 Section 8423(a) of title 5, United States Code, is amended
20 by adding at the end the following:

21 “(5) Notwithstanding any other provision of this
22 chapter, effective with respect to contributions for pay pe-
23 riods beginning on or after October 1, 2000, the normal-
24 cost percentage used for purposes of any computation
25 under this subsection shall be equal to—

1 “(A) the percentage that would otherwise apply
2 if this paragraph had not been enacted, plus

3 “(B) .01 of 1 percentage point.”.

4 (b) SUPPLEMENTAL LIABILITY.—For purposes of ap-
5 plying section 8423(b) of title 5, United States Code, and
6 section 857(b) of the Foreign Service Act of 1980 (22
7 U.S.C. 4071f(b)), all amounts shall be determined as if
8 this section had never been enacted.

9 (c) LIMITATION ON SOURCE OF ADDITIONAL CON-
10 TRIBUTIONS.—Notwithstanding section 8423(a)(3) of title
11 5, United States Code, or any other provision of law, the
12 additional Government contributions required to be made
13 by reason of the amendment made by subsection (a) shall
14 be made out of any amounts available to the employing
15 agency involved, other than any appropriation, fund, or
16 other amounts available for the payment of employee sala-
17 ries or benefits.

18 (d) CONFORMING AMENDMENT.—Section 307 of the
19 Federal Employees’ Retirement System Act of 1986 (Pub-
20 lic Law 99–335; 5 U.S.C. 8401 note) is amended by in-
21 serting “, including the additional amount required under
22 section 8423(a)(5)(B) of such title 5,” after “Federal Em-
23 ployees’ Retirement System”.

Passed the House of Representatives April 20, 1999.

Attest:

JEFF TRANDAHL,

Clerk.